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## TEXTILE EXPORTS FROM EAST GERMANY

Sachsen center of the East German textile industry, employs approximately 115,000 workers. Its textile mills constitute about one third of the industrial potential. The industry's output capacity is subject chiefly to the availability of high-grade raw materials. In this connection, processing orders are a welcome means of bridging the gap. In the case of processing orders, which are calculated on the basis of labor cost, the foreign customer supplies the materials and work specifications, such as gauge, design, etc. Payments are generally made in the form of additional raw material. Production is under official control and in certain cases it is possible to make additional deliveries to the foreign importer.

The Sachsen textile industry is at present working on large processing orders for foreign countries, on the basis of labor costs. Various spinning and weaving mills in West Sachsen are working on orders received from the Scandinavian countries for printed dressmakers' fabrics. In this instance, approximately one-half of the materials supplied are retained by the mill in lieu of payment and converted into textiles for export on the mill's own account.

Sachsen's curtain and lace industry, and a number of factories producing dress and upholstery fabrics, are also filling and processing orders for foreign countries. Hosiery mills in Sachsen are currently at work on sizeable processing orders for Switzerland. Similar orders have been received from West

During the latter part of 1949, the Textima Association of People-Owned Enterprises (VEB) shipped consignments of textiles amounting to 750,000, 250,000, and 50,000 Deutsche marks to East European countries, West Germany, and the US, respectively.

About one half of the output of August Huebsch A-G, Chemnitz, manufacturers of upholstery and decorative fabrics, is shipped abroad. In recent months orders amounting to 100,000 dollars have been received from Denmark, the Netherlands, and Sweden.

Trikot, the Association of People-Owned Knit Goods Enterprises, which comprises 56 plants of the Sachsen knit-goods industry, obtained export and interzonal orders amounting to 2.5 million Deutsche marks-during the second half of 1949, including orders from West Germany for 1.5 million Deutsche marks, and from Denmark, the Netherlands, and Sweden, for a combined total of one million Deutsche marks. -1-

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The Plauen Lace Industry has an agreement with Czechoslovakia, involving processing orders amounting to 6 million Deutsche marks and delivery of 600,000 meters of lace. Orders from Sweden amount of 640,000 Swedish crowns.

Sachsen's glove industry, which before the war enjoyed world-wide prestige, also received a number of large export orders recently. The Grobe A-G in Oberfrohna, for example, concluded export agreements with Switzerland amounting to 200,000 Swiss francs, and with the Netherlands for 42,000 Dutch guilders. Additional orders for 400,000 Deutsche marks have been received from the Soviet Union and East European countries. West German firms ordered gloves for 500,000 Deutsche marks.

Thueringen's textile industry is also increasing its export output. The Dyed Fabrics Mill (Buntweberei) for example, which in 1949 increased the number of its looms from 210 to 280, is working entirely on orders for Poland.

The East German rug industry also shows promising signs of developing an export trade. The carpet factory in Wurzen, which at present devotes one third of its capacity to West German orders, increased its business considerably with orders from the Netherlands and Sweden. The People-Owned Persian Rug Factory in Kottbus, which began the manufacture of oriental rugs only 6 months ago, has received its first export orders.

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- 2 -

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